

SPOKANE RIVER UPRIVER DAM PCB SEDIMENTS SITE
Schedule of Unit Prices

Bid Item	Description (Specification Section)	Estimated Quantity	Unit	Unit Price (Dollars)	Extended Price (Dollars)
1	Mobilization/Demobilization for Deposit 1	1	LS		
2	Mobilization/Demobilization for Deposit 2	1	LS		
3	Environmental Protection	1	LS		
4	Site Preparation for Deposit 1	1	LS		
5	Site Preparation for Deposit 2	1	LS		
6	Furnish and Place Granular Bituminous Coal	1	LS		
7	Furnish and Place Sand	1	LS		
8	Furnish and Place Gravel	1	LS		
9	Excavation, Disposal and Backfill at Deposit 2	600	CY		
Base Bid Total					
Sales Tax (8.5%)					
Total					

**GENERAL CONDITIONS
FOR
AVISTA CORPORATION
CONTRACT CONSTRUCTION WORK**

Revised: January, 1999

GENERAL CONDITIONS

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GENERAL CONDITIONS

C-1 DEFINITIONS

The words and terms specified in this section, or pronouns used in their stead, shall, for the purposes of this Contract and the Specifications thereof, have the meanings as given below:

The word "Owner" or "Avista" shall mean Avista Corporation or its duly authorized representative, successors, or assigns.

The word "Engineer" shall mean Manager of Generation and Production Department for Avista Corporation, or such other person as may be designated in writing by Owner.

The Word "Contractor" shall mean the person, persons, partnership, company or corporation entering into this Contract for the performance of the work required of it.

The word "Surety" or Sureties" shall mean the surety company or the bonding company or party or parties who have made secure the fulfillment of this Contract by a Bond, and whose signatures are attached to said Bond.

The word "Proposal" shall mean the offer of the Contractor to do the work contemplated under this Contract at the price or prices set forth in this Contract.

The word "Contract" shall mean collectively, all the covenants, terms and stipulations contained in the various portions of this Contract, to wit, the Agreement and any addenda thereto, the Bond, the General Conditions, the Specifications, and Drawings.

The word "Addendum" shall mean the Owner's or Owner's duly authorized representative's clarifications or interpretations of contract documents, drawings or specifications communicated to Contractor in writing and identified as an "Addendum" before execution of the Agreement.

The word "Specifications" shall mean, collectively, all the terms and stipulations contained in those portions of this Contract known as General Conditions, the Specifications, and such amendments, revisions, deductions or additions as may be made in the Agreement, and all written agreements made or to be made, pertaining to the method and manner of performing the work or to the quantities and qualities of the materials to be furnished under this Contract.

The word "Drawings" shall mean, collectively, all the drawings attached to the Contract and made a part thereof, and also such supplementary drawings as the Engineer may issue from time to time in order to elucidate said Contract Drawings or to show details which are not shown thereon.

The words "Contract Price" shall mean either the lump sum named in the Agreement, or the approximate total of all payments as estimated from the unit prices set forth in the Agreement, which are to be paid to the Contractor for the work to be done under this Contract.

Wherever figures are given in this Contract under the word "Elevation" or an abbreviation of it, or where figures representing elevations are given, they shall mean the elevation relative to

United States Geological Survey Sea Level Datum, as represented by various bench marks in the vicinity of the work, or they shall mean the elevation relative to the arbitrary datum plane fixed by the Engineer for the particular work.

Wherever the word "Manufacturer" is used, it refers to a person or corporation who is furnishing material or equipment to either the Owner or the Contractor, or both.

Wherever in this Contract, the words Directed, Required, Ordered, Designated, Considered Necessary, Prescribed, or words of like import are used, it shall be understood that the direction, requirement, permission, order, designation or prescription, etc., of the Engineer is intended. Similarly, the words, Approved, Acceptable, Satisfactory or words of like import, shall mean approved by, or acceptable or satisfactory to the Engineer, unless another meaning is plainly intended.

The word "Work" shall include labor, materials, equipment, transportation, or other construction activities necessary to complete the Contract.

The word "Schedule" shall mean specific milestone dates (including completion date) as set forth in the Contract or a mutually agreed upon set of construction dates making up a construction sequence.

The word "Contract" and the word "Agreement" as used herein, are synonymous.

C-2 TIME AND ORDER OF COMPLETION

1. The Contractor agrees that the work shall be commenced and carried on at such points, and in the order of precedence, and at such times and seasons as provided by the Schedule for the completion of the work as outlined in the Agreement. The Contractor declares familiarity with the site and rights of way, with all the reasonably discovered local conditions, and with all the circumstances which may, or are likely to affect the performance and completion of the work, and has allowed for such conditions in the preparation of this Schedule.
2. No necessity for an extension of time is anticipated, but if extraordinary circumstances should arise beyond the reasonable control and without the fault or negligence of the Contractor, the Contractor shall be entitled to a reasonable extension of time. Such extension may be granted by the Engineer, but shall not operate to release the Surety from any of its obligations. Examples of extraordinary circumstances include (a) acts of God or of the public enemy; (b) acts of the Government in its sovereign capacity; (c) acts of another Contractor in the performance of a contract with the Owner; (d) fires; (e) floods; (f) epidemics; (g) quarantine restrictions; (h) freight embargoes; (i) unusually severe weather; (j) delays of subcontractors or suppliers at any time arising from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, the subcontractor, or the supplier, or (k) regulatory change.
3. The Engineer shall have the right to require the discontinuance of the work done on Avista property, in whole or in part, for such time as may be necessary, should the condition of the weather or of flood or other contingencies make it desirable so to do, in order that the work shall be well and properly executed. Extension of time shall be

granted the Contractor for discontinuance of work so required, but no payment shall be made to the Contractor as compensation for such discontinuance of work beyond the reasonable expenses incurred as a direct result of such a discontinuance.

C-3 INSPECTION AND RIGHT OF ACCESS

1. The Owner contemplated, and the Contractor hereby agrees to a thorough, minute inspection by the Owner, or by any of the Owner's agents, of all the work and material furnished under this Contract.
2. The Contractor shall furnish to the Owner, or to any of the Owner's agents, access at all reasonable times to the work and to the premises used by the Contractor, and shall provide them every reasonable facility for the purpose of inspection, even to the extent of discontinuing portions of the work temporarily, or of uncovering or taking down portions of finished work.
3. The Contractor shall notify the Engineer when work or specific portions of work are ready for any required inspections, tests, or approvals. If the Contractor covers up or makes inaccessible said work before Owner can reasonably make required checks, the Contractor shall, at the Engineer's request, make said work available. Such uncovering or rendering accessible shall be at Contractor's expense whether the work meets requirements or not.
4. When finished work is taken down for the purpose of inspection, and said work is found to be in accordance with the Specifications, the replacing of the covering or the making good of any of the parts removed shall be paid for by the Owner at the contract prices or shall be paid for on the basis of actual direct cost of material, labor and incidental expense, plus reasonable rental prices for transportation equipment and heavy equipment, all as stated in Section C-12 (c).
5. When finished work is taken down for the purpose of inspection and said work is found NOT to be in accordance with the Specifications, the Contractor shall stand all the expense thereto as well as all the expense of subsequent inspections until said work is brought into compliance with the Specifications.

C-4 TO REMEDY DEFECTIVE WORK

1. **PRIOR TO FINAL ACCEPTANCE** - If the work or any portion thereof, shall be damaged or is defective in any way, except as caused solely by the acts of the Owner, or if defects not readily detected by proper inspection shall develop before the final completion and acceptance of the whole work, the Contractor shall forthwith make good, without compensation, such damage or defects in a manner in accordance with the Contract requirements. In no case shall defective or imperfect work be retained. If the Contractor shall fail to replace within a reasonable time any defective work or materials after reasonable notice, the Engineer may cause such defective work or materials to be replaced and the expense thereof shall be deducted from the amount to be paid the Contractor.

2. AFTER FINAL ACCEPTANCE - Nothing contained in these General Conditions is intended to limit Contractor's obligation, during the applicable period of statutory limitation or repose, to repair or replace defective work. Therefore, if the work or any portion thereof is found to be defective after final acceptance of the whole work and said defect was not readily detectable by proper inspection, the Contractor shall repair or replace defective work as provided in C-4-1.

C-5 ENGINEER CANNOT WAIVE OBLIGATIONS

Neither the Engineer, nor any of the Engineer's assistants or agents, shall have any power to waive any of the obligations of the Contractor or any of the obligations of this Contract for the furnishing by the Contractor of good and suitable material and for the Contractor performing good work, as described in the Contract.

C-6 SAFETY AND HEALTH LAWS AND REGULATIONS

1. Contractor specifically agrees at Contractor's sole cost and expense to comply with all applicable health and safety laws and regulations whether federal, state, or local, and whether adopted for the benefit of Owner's employees, Contractor's employees, or the general public. The Contractor further agrees that compliance with said health and safety provisions as well as supervision of job site safety for Contractor's and Sub-Contractor's employees is the Contractor's sole responsibility. The Contractor agrees to notify the Engineer immediately of any federal, state, or local agency notice of non-compliance on the job site.
2. Contractor specifically agrees to furnish adequate safety equipment relevant to it's responsibilities to comply with all applicable federal, state and local laws and regulations at the Contractor's sole cost and expense.
3. Contractor shall be solely responsible for the protection and safety of its employees, for final selection of additional safety methods and means, and for daily inspection of its work area and safety equipment. When so ordered, Contractor shall stop any part of the contract work which Avista deems unsafe until corrective measures satisfactory to Avista have been taken, and the Contractor agrees it shall not have or make any claim for damages growing out of such stoppages. Should Contractor fail to take such corrective measures, Avista may attempt to remedy the condition at the cost and expense of Contractor and may deduct the cost thereof from any payments due or to become due Contractor. Failure on the part of Avista to stop any unsafe Contractor practice shall in no way relieve Contractor of its responsibility hereunder.

4. The Contractor shall have a working safety program which includes, but is not limited to:
 - a.) Written Accident Prevention Program which, for work in the State of Washington shall comply with WISHA Regional Directive WRD 27.00
 - b.) Emergency Action Plan
 - c.) Safety Inspection
 - d.) Designated Safety Person
 - e.) Employee Safety Training Sessions
 - f.) Qualified CPR and First Aid Persons,
 - g.) Written Hazard Communication Program
5. The Engineer shall furnish to the Contractor a list of hazardous chemicals to which the Contractor's employees may be exposed on the job site. The Engineer shall also inform the Contractor of any special protective and safety measures designed to lessen exposures and Material Safety Data Sheets shall be made available where pertinent.
6. The Contractor shall provide the Engineer with a list of hazardous chemicals or materials that the Contractor will bring onto the work site, including any special precautions to prevent exposure to the Owner's employees. Associated Material Safety Data Sheets shall be made available where pertinent. The Contractor shall be solely responsible for the Contractor's employees and agents under the provisions of the Hazard Communication Standard (WAC 296-62) for results of exposure to hazardous materials as notified in Section C-6-5, as well as for results of exposure to hazardous materials brought on site by Contractor.
7. Protective personal equipment (e.g. hard hats, safety glasses, work gloves, work boots, etc.) shall be worn by all personnel in construction areas unless safety considerations dictate an exception. The Contractor shall be responsible for enforcement of personal protective equipment compliance.

C-7 SCHEDULING AND COMPLETION OF WORK

1. Whenever the Contractor has made marked departure from the Schedule of completion or neglects to carry out the work in compliance with the Contract, the Engineer may (but shall have no duty or obligation to) issue written notice to the Contractor to correct said deficiencies. If within seven (7) calendar days the Contractor does not commence and continue correction of such deficiencies with all reasonable diligence, the Contractor shall be subject to Termination by Owner per Section C-26.1.

2. If at any time the Contractor's methods, materials, or equipment are insufficient or inadequate for securing the quality of work or rate of progress required, the Engineer may (but shall have no duty or obligation to) request the Contractor to increase the efficiency and adequacy of such methods, materials or equipment. The Contractor shall comply with such requests. If at any time the Contractor's work force and equipment are inadequate for securing the necessary progress, the Contractor shall, if so directed by the Engineer, increase the working force and equipment to such extent as to give reasonable assurance of compliance with the scheduled completion. The failure of the Engineer to make such demands shall not relieve the Contractor of the Contractor's obligation to secure the quality and rate of progress required by the contract, and the Contractor alone shall remain liable and responsible for the efficiency and adequacy of the Contractor's methods, materials, working force and equipment, irrespective of whether or not the Contractor makes any change as a result of any request received from the Engineer.

C-8 LINES AND GRADES

The Engineer shall establish reference points for the work in accordance with the Contract. All such locations, stakes, and marks must be carefully preserved by the Contractor, and in case of their unnecessary destruction by the Contractor or any of the Contractor's employees, they will be replaced by the Engineer at the Contractor's expense.

C-9 TO DEFINE TERMS AND EXPLAIN PLANS

1. The various parts of the Contract are intended to be complimentary to each other, but should any discrepancy appear, or any misunderstanding arise as to the import of anything contained therein, the explanation of the Engineer shall be final and binding. The correction of any errors or omissions of the Drawings and Specifications may be made by the Engineer, when such correction is necessary to bring out clearly the intention which is indicated by a reasonable interpretation of the Drawings and Specifications as a whole.
2. Additional drawings and explanations to exhibit or illustrate details may be provided by the Engineer and shall be so provided whenever necessary, and if consistent with the drawings and specifications, shall be binding upon the Contractor and the Owner.
3. Whenever, in the Specifications or on the Drawings which are a part of this Contract, or which may be furnished to the Contractor for directing the Contractor's work, the terms or descriptions of various qualities of workmanship, material, structures, processes, plant, or other features of the Contract are described in general terms, the meaning of fulfillment of which must depend upon individual judgment; then in all such cases the question of the fulfillment of such specifications or requirements shall be decided by the Engineer, and said material shall be furnished, said work shall be done, and said structure, process, plant or feature shall be constructed, furnished or carried on in full and complete accordance with the Engineer's interpretation of the same and to the Engineer's full satisfaction and approval, provided such interpretation is not in direct conflict with the Drawings and Specifications and generally accepted good practice.

4. Matters shown either on the Drawings or in the Specifications shall be done and furnished as if shown in both, except where expressly excepted.
5. Figured dimensions shall in all cases be taken in preference to scale measurements.
6. The Engineer may from time to time prepare for internal use estimates of quantities or bills of materials required for the work. Copies of such estimates or bills of materials which may be given the Contractor for the Contractor's convenience, or any lists, weights or quantities of materials or structures which may appear on the Drawings shall not be considered as finally correct, sufficiently complete, or accurately covering any portion or all of the work to be done under this Contract. Such bills or estimates will be carefully assembled and prepared, but their accuracy is not guaranteed. They may or may not be accurate as to any particular detail and are given only as the best information available at the time of the issue of the information. It is mutually understood that any such list or estimates are furnished the Contractor for the Contractor's convenience only and not as list or estimates of work to be done, many necessary items of work being omitted.

C-10 MATERIALS AND APPLIANCES

1. Unless otherwise specified, all materials permanently incorporated in the work shall be new, and both workmanship and materials shall be of good quality. The Contractor shall, if required, furnish satisfactory evidence as to source of supply and quality of material.
2. Unless otherwise specified, all materials and appliances shall be applied, installed, connected, erected, used, cleaned, conditioned, etc. in accordance with instructions of the applicable supplier or manufacturer.
3. Whenever required, in the opinion of the Engineer or by the Specifications, for the proper determination of the qualities of materials to be furnished under this Contract, the Contractor shall furnish, at the Contractor's expense unless otherwise provided for, test specimens or samples.
4. The Contractor shall, at the Contractor's expense, furnish all material, labor, tools, falsework, scaffolding, cribbing, rigging, water, air, steam and electrical energy, equipment and supplies that may be required to accomplish the work under the Contract, unless otherwise provided for.

C-11 PROVISIONAL ACCEPTANCE OF PORTIONS OF THE WORK SHALL NOT CONSTITUTE A WAIVER

The provisional acceptance of sections of the work for the purpose of preparing partial estimates and the payment of money for such partial estimates shall not operate as a waiver of any portion of this Contract and shall not be construed so as to prevent the Engineer from requiring replacement of defective work that may become apparent after the said provisional acceptance and shall not be construed in any way as the basis for a claim of extra compensation for any cause whatsoever by the Contractor.

C-12 CHANGES IN THE WORK

1. If it becomes necessary to modify this Contract and the Specifications herein contained and the Drawings, or to make changes by altering, adding to or deducting from the work, the Owner may, without invalidating the Contract, by an order which initially may be oral, but thereafter confirmed in writing, order such changes to be made, and the changes shall be made accordingly, provided that, in cases where such changes increase the cost of the work and payment therefore is not covered by the prices bid for the various items, the Contractor shall be remunerated under a supplemental contract as hereinafter provided; and in case they shall diminish the cost of the work, proper deduction from the Contract Price shall be made.
2. Except for minor modifications in the work, not involving extra cost and not inconsistent with the purposes of the work, and except in emergency, endangering life or property, no extra work or change shall be made unless pursuant to an order from the Owner authorizing the extra work or change, and no claim for an addition to the Contract amount shall be valid unless so ordered. Such orders may initially be oral, but shall ultimately be confirmed by the Owner in the form of a written "Extra Work Order" in which the consideration will be set forth. All such work shall be executed under the provisions and conditions of the original Contract and, if applicable, of the Bond accompanying it.
3. The value of any such additional work shall be determined in one or more of the following ways:
 - (a) By unit prices named in the Contract or as subsequently agreed upon.
 - (b) By estimate and acceptance in lump sum.
 - (c)
 1. On the basis of actual direct cost of material and craft and other non-supervisory labor as described herein, plus an agreed percentage thereof for the Contractor's fee, and overheads. Direct cost of labor shall include direct craft and other non-supervisory labor earnings; job foreman earnings; Contractor's portion of Social Security taxes; Contractor's portion of State Industrial Insurance and Medical Aid; State and Federal Unemployment taxes; Union Health, Welfare and Pension charges; Union Vocation Fund charges; and Public Liability and Property Damage insurance. Direct cost of materials shall be the actual sum paid for materials by the Contractor, including transportation expense. The percentage fee shall cover the Contractor's profit, superintendence, the transportation and use of small tools and equipment not susceptible to classification under transportation equipment and heavy equipment, and general overhead and other direct and indirect incidental expense.
 2. For work involving the use of transportation equipment and heavy equipment such as trucks, tractors, derricks, cranes, excavators, etc., the Contractor shall be reimbursed for their use at agreed rental prices. Said rental prices shall include, unless otherwise specifically agreed to, the furnishing of all necessary power or fuel, lubricating oils and greases, rigging, maintenance, and repairs,

but unless otherwise specifically agreed to, shall not include labor for operating purposes. For heavy equipment not self-propelled or readily moveable, extra expense for the transportation to and from the site will be paid for at agreed prices in addition to rentals. Said rental prices shall be the complete payment for equipment furnished, including profit, superintendence, general overhead and other indirect expense.

3. In case any work or materials shall be done or furnished under the provisions of this subdivision (c), the Contractor shall, at the end of each day during the progress thereof, furnish to the Engineer daily time slips showing the name or number of each worker and/or piece of equipment employed thereon, with the time worked, the character of work being done, and the wages or rental prices paid or to be paid, and also a daily memorandum of the material used on such work, showing the amount and character of such material, from whom purchased, and the amount paid or to be paid therefore. If required by the Engineer, the Contractor shall produce any books, vouchers, records and memoranda showing the work and materials actually paid for and the actual prices therefore.
4. The Contractor shall deliver to the Engineer an itemized bill of the cost of materials furnished or work done under the provision of this subdivision (c). The total of this itemized bill will be entered on the Engineer's monthly estimate, properly identified under the written order designation covering the work, and payment will then be made as stated in Articles C-13 and C-14.

C-13 PROGRESS ESTIMATES AND PAYMENTS

1. When individual jobs are completed within a thirty (30) day construction period, a final inspection and approval will be made by the Engineer and the Contractor may then bill the Owner. Payment in full will be made on or before the thirtieth (30th) day of the following calendar month, provided that the Contractor has satisfied the Engineer that all bills for labor, material, claims and other expenses for which the Owner might be sued or for which a lien might be filed, has been fully satisfied.
2. On jobs of longer duration, the Engineer will, at the end of each calendar month, make an approximate determination, either by measurement or approximation of the work completed, and of the materials incorporated in the completed work, and will make an estimate of the value of the same, on the basis of the respective unit or lump sum prices set forth in the Agreement. To this estimate will be added the amounts earned under Supplemental contracts and orders, if any, to the date of the progress estimate. From the total thus computed, a retention percentage deduction as set forth in the Agreement will be made and from the remainder there will further be deducted all previous payments plus any amounts due the Owner in accordance with the terms of this Contract. The remainder shall be paid by the Owner to the Contractor within thirty (30) days of receipt of the Contractor's Invoice by the Owner.

3. Contractor's payrolls in connection with work performed under provisions of Paragraph C-12 (c) may be submitted for payment immediately following the Contractor's payroll period when so authorized by the Engineer in writing. The direct labor charges only will be paid within thirty (30) days, and the amounts so paid deducted from the Engineer's monthly estimate as contra-charges due the Owner.
4. In case work is nearly suspended, or in case only unimportant progress is being made, or in case it is apparent that the Contractor is about to forfeit the Contractor's contract, or that the money yet due the Contractor will not complete the Contractor's contract, the Owner may, at the Owner's discretion, withhold any payment which may be due the Contractor on account of monthly estimates.
5. The Contractor shall not demand, nor be entitled to receive, payment for the work or any portion thereof, except in the manner set forth in this Contract, and then only after the Engineer shall have given a certificate for such payment.

C-14 FINAL PAYMENT

1. Upon receipt of written notice by the Engineer that the work covered by this contract is substantially complete and ready for final inspection and acceptance, the Owner's Representative shall inspect the work within a reasonable time and shall accept or reject said work pursuant to the Contract. Upon Owner's acceptance, the Contractor shall prepare a final estimate showing the total amount of work done by the Contractor and its value under and according to the terms of this Contract. From the total value thus arrived, a retention percentage deduction as set forth in the Agreement will be made and from the remainder there will further be deducted all previous payments and all deductions made in accordance with the provisions of the Contract. The remainder shall be paid by the Owner to the Contractor within thirty (30) days after the date of Owner's receipt of the final estimate.
2. Before the Contractor shall be entitled to the said retention payment, the Contractor shall satisfy the Owner that all bills for labor, material, lands, licenses, claims, and other expenses for which any claim or suit might be made against the Owner, or for which a lien might be filed, have been fully satisfied. In this regard, if requested by Owner, Contractor shall furnish one or more written claim and/or lien waivers, in proper form, executed by any or all Sub-contractors, materialmen or laborers, who might otherwise retain a claim or right to record a lien in connection with the Contract. The Contractor shall execute and file with the Owner, a release, in proper form, of any and all liens or claims against the Owner for payment of the Contract price.
3. Before the Contractor shall be entitled to the said retention payment, the Contractor shall furnish to the Owner as built drawings, manufacturer's manuals and manufacturer's instructions, as required by the Contract.

C-15 NO CLAIM BECAUSE ACTUAL QUANTITIES DIFFER FROM PRELIMINARY STATEMENT

The quantities of the various kinds of work to be done and materials to be furnished under this Contract which have been estimated and are set forth in the proposal or the Agreement, or the

lists of Contract Prices, are the best available, but may or may not be accurate in any or all particulars and are only for the purpose of comparing on a uniform basis the bids offered for the work under this Contract. The Contractor agrees that neither the Owner nor the Engineer, nor any of the employees or agents thereof, shall be held responsible if any of the said estimated quantities shall be found to be not even approximately correct in the construction of the work and that the Contractor will not at any time dispute or complain of such statement, nor assert that there was any misunderstanding in regard to the kind or amount of the materials to be furnished, or work to be done. Further, the Contractor shall make no claim for anticipated profits, for loss of profit or for damages because no work is ordered under certain items or because of a difference between the quantities of the various kinds of work to be done or materials actually delivered and the estimated quantities set forth by the Owner or the Engineer.

C-16 CONTRACTOR'S ADDRESS

Both the address appearing in the Agreement and the Contractor's office at or near the site of the work are hereby designated as places to either of which notices, letters or other communications to the Contractor may be mailed or delivered. The first named address may be changed at any time by an instrument in writing executed and acknowledged by the Contractor and delivered to the Owner. Nothing herein contained shall be deemed to preclude or render inoperative the service of any notice, letter or other communication upon the Contractor personally.

C-17 PERSONAL ATTENTION OF CONTRACTOR

The Contractor shall give personal or direct attention constantly to the faithful prosecution and supervision of the work, and shall be present either in person or by a duly authorized representative on the site of the work, continually during its progress. Contractor shall maintain an office on or adjacent to the site of the work and shall at all times keep in said office a complete copy of the Specifications and Drawings.

C-18 CONTRACTOR INFORMED AS TO CONDITIONS

1. The Contractor has examined all the available records; has made a field examination of the site and right-of-way; and is informed about the sub-surface conditions and surface and sub-surface water conditions to be encountered, the character of equipment and facilities needed for the prosecution of the work, the location and suitability of all construction materials, the quantities in the various sections of the work, the local labor conditions and all other reasonably apparent matters in connection with the work and services to be performed under this Contract.
2. The Contractor states that the Contract prices are based on Contractor's own knowledge and judgment of the reasonably apparent conditions and hazards involved and not upon any representation of the Owner or the Engineer that have not been made a specific part of the Contract documents.
3. Any records of sub-surface conditions, water records or other observations which may have been made by the Engineer or the Owner have been made with reasonable care and accuracy. Such records may be made available to the Contractor for his information, but there is no expressed or implied warranty as to the accuracy of the records, nor to any interpretation of them. The Contractor recognizes this and further states that it is the

Contractor's own opinion of the character of materials to be excavated and that it is the Contractor's own interpretation of the records available.

C-19 SUB-CONTRACTORS

1. If the Contractor shall cause any part of the work to be performed by a sub-contractor, the provisions of this Contract shall apply to such sub-contractor and the sub-contractor's officers, agents, or employees in all respects, as if it and they were employees of the Contractor, and the Contractor shall not, in any manner thereby, be discharged from the Contractor's obligations and liability hereunder, but shall be liable hereunder for all acts and negligence of the sub-contractor, and the sub-contractor's officers, agents and employees, as if they were employees of the Contractor.
2. No sub-contract shall be made without the approval of the Owner and the Engineer of both the sub-contract and the sub-contractor, but no such approval shall affect the provisions hereof.
3. Nothing contained in the Contract Documents between Contractor and Subcontractor or Supplier shall create any contractual relationship between said Subcontractor or Supplier and the Owner or Engineer.
4. Copies of all sub-contracts shall be furnished to the Owner and the Engineer within five (5) days from the date the sub-contract is executed.

C-20 COLLATERAL WORK

The Owner reserves the right to have such agent or agents as it may elect, enter upon the property or location upon which the works herein contemplated are being constructed, for the purpose of constructing or installing such collateral works as the Owner may desire. Such collateral work will be constructed or installed with as little hindrance or interference as possible with the Contractor. The Contractor shall work in harmony with others employed or contracted by the Owner. Any difference of opinion between the Contractor and said others shall be finally arbitrated by the Engineer.

C-21 INDEMNIFICATION

1. The Contractor shall indemnify, defend, and hold the Owner harmless from and against all loss, expense, liability, claims, or actions (hereafter "Loss"), based upon or arising out of bodily injuries or damages to persons, including without limitation death resulting therefrom, or physical damages to or losses of property caused by, arising out of or sustained in connection with the performance of any work under this Contract to the extent attributable to the negligence of Contractor or its employees, agents, suppliers and subcontractors (including suppliers and subcontractors of subcontractors; hereafter "Subcontractors"). In the event that any such Loss is caused by the negligence of both Contractor and Owner, including their employees, agents, suppliers and Subcontractors, the Loss shall be borne by Contractor and Owner in the proportion that their respective negligence bears to the total negligence causing the Loss.

2. To the extent permitted by applicable law, the Contractor further agrees to indemnify, defend, and hold the Owner harmless from and against all claims, actions, or liabilities for injuries, death, damages, or benefits, arising out of, or which may be awarded pursuant to Worker's Compensation and/or Employer's Liability laws, including but not limited to any claims asserted by or on behalf of an employee of the Contractor, by a Sub-contractor, or by a Sub-contractor's employee.
3. To the extent permitted by applicable law, the Contractor waives any immunity under existing Worker's Compensation law applicable to the jurisdiction(s) where the work herein is to be performed as necessary to fully effectuate this paragraph C-21 or other indemnity or hold harmless provisions.
4. The Contractor and the Owner specifically warrant that the terms and conditions of the foregoing indemnity provisions are the subject of explicit negotiation by the parties, and are specifically and expressly agreed to in consideration of the mutual benefits derived under the terms of the Contract herein.

C-22 WORK PERFORMED AT CONTRACTOR'S RISK

The Contractor shall take all precautions necessary and shall be responsible for the safety of the work and shall maintain all lights, guards, signs, temporary passages, or other protection necessary for that purpose. All work shall be done at the Contractor's risk, and if any loss or damage shall result from fire or from other causes, the Contractor shall promptly repair or replace such loss or damage free from all expense to the Owner. The Contractor shall be responsible for any loss or damage to material, tools or other articles used or held for use in connection with the work. The work shall be carried on to completion without damage to any work or property of the Owner or of others and without interference with the operation of existing machinery or equipment.

C-23 INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

The Contractor shall assume all liability and fully indemnify and save harmless the Owner, its successors or assigns, from and against all claims, suits, proceedings, damages, losses, expenses, fees and royalties arising from any infringement, real or claimed, of any patent on any article, machine, manufacture, structure, composition, arrangement, improvement, design, device, methods or process embodied or used in the performance of this Contract or from infringement of the trademark, copyright, or trade secret of another. The Owner and its successors and assigns, will give written notice of all such claims and patent infringement suits or proceedings instituted against it to the Contractor, who shall defend same, and will give the Contractor authority, assistance and all available information to enable the Contractor so to do.

C-24 REMOVAL OF EQUIPMENT/MATERIALS

The Contractor shall not sell, assign, mortgage, hypothecate, or remove equipment or materials which have been installed or which may be necessary for the completion of the Contract, without the written consent of the Engineer.

C-25 ASSIGNMENT OF CONTRACT

The Contractor agrees not to assign this Contract or any portion thereof to any person, persons, partnership, company or corporation not satisfactory to the Owner and the Contractor shall not make such an assignment until receipt of the Owner's written permission. No such assignment, even though thus consented to, shall relieve the Contractor from liability under this Contract for the performance and completion of the work by the time and in the manner herein contracted for.

C-26 TERMINATION BY OWNER

1. **FOR CAUSE** - If the work to be done under this Contract shall be abandoned by the Contractor, or if this Contract shall be assigned, or the work sublet by the Contractor without the permission of the Owner, or if the Contractor be placed in bankruptcy, or if a Receiver be appointed for the Contractor's properties, or the Contractor shall make an assignment for the benefit of creditors, or the Schedule of work is not being maintained or that the Contractor is violating any of the material conditions or Agreements of this Contract, or is executing said Contract in bad faith or not in accordance with the terms thereof, the Owner may notify the Contractor to cease all work under this Contract by written notice to be served upon the Contractor, a copy of which notice shall be given to the Surety, if any. Within one (1) week from the date of such notice, the Contractor shall cease the work, whereupon the Surety may, at its option, assume this Contract and proceed to perform the same. The Surety, in such event, shall take the Contractor's place in all respects and shall be paid by the Owner for all work performed by the Surety in accordance with the terms of this Contract. In case the Surety does not within two (2) weeks after the date of the Owner's notice to the Contractor to cease work, exercise its right or option to assume this Contract, then the Owner shall have the power to complete the work herein described by Contract or otherwise, as it may determine, and the Contractor agrees that the Owner shall have the right to take possession of the work site and use any of the materials, plants, tools, equipment, supplies and property of any and every kind provided by the Contractor for the purpose of this work. The expense of so completing the work shall be charged to the Contractor and the expense so charged shall be deducted by the Owner out of such moneys as may be due or may at any time thereafter become due to the Contractor. In case such expense is more than the sum which would otherwise have been payable under the Contract, then the Contractor shall pay the amount of such excess to the Owner upon notice from the Owner of the excess so due. The Owner shall not be required to obtain the lowest figures for the work of completing the Contract, but may make such expenditures as in its sole judgment shall best accomplish such completion. Any action which Owner may elect to take under this section shall be in addition to, and without prejudice to, any other right or remedy which Owner may have under the Contract or bond or at law.
2. **FOR CONVENIENCE** - The Owner may at any time for any reason, by written notice thereof to Contractor, terminate the Contract as to all or any portion of the work not then performed, whether or not Contractor is then in breach or default. Upon receipt of any such notice of termination, Contractor shall, except as otherwise directed by Owner immediately stop performance of the work to the extent specified in such notice. The Contractor will be reimbursed by the Owner for all reasonable expenditures actually incurred by the Contractor in the performance of the Contract where not otherwise compensated therefore, regardless of whether such costs are incurred prior to or after

such termination. In any event, the Contractor shall not be entitled to anticipated profit on work not performed on account of such termination. The Contractor shall use its best efforts to minimize the compensation payable under the Contract in the event of such termination.

C-27 INDEBTEDNESS AND LIENS

The Contractor agrees to furnish the Owner, from time to time during the progress of the work as requested, verified statement showing the Contractor's total outstanding indebtedness in connection with the work covered by the Contract. Before final payment is made, the Owner may require the Contractor to furnish the Owner the satisfactory proof that there are no outstanding debts or liens in connection with the Contract. If during the progress of the work, the Contractor shall allow any Contract related indebtedness to accrue to sub-contractors, vendors or others, and shall fail to pay or discharge same within five (5) days after legitimate Contractor - subcontractor/vendor contractual payment demand, then the Owner may withhold any money due the Contractor until such indebtedness is paid, or apply same toward the discharge thereof.

C-28 REGULATIONS AND PERMITS

The Contractor shall give all notices and comply with all applicable federal, state, and local laws, ordinances, rules and regulations, and shall procure all necessary municipal and other governmental permits, licenses and inspections, and shall pay all fees and charges in connection therewith, which the Owner does not elect to procure and pay.

C-29 INSURANCE

1. The Contractor and all Sub-contractors shall, at their expense, maintain in full effect at all times during the performance of the Contract, not less than the following coverage and limits of insurance, and shall maintain such insurance in effect until all work is completed and accepted by the Owner. The Contractor shall be responsible for enforcing the requirements stated herein with each Sub-contractor the Contractor employs to perform any work under this Contract.

- a. Workers' Compensation and Employer's Liability Insurance

The Contractor and any Sub-contractor shall maintain in effect at all times during performance of this Contract, insurance coverage in accordance with the applicable laws of the state in which any persons performing under this Contract were hired, and regardless of whether such coverage or insurance is mandatory or merely elective under the above law. The required insurance shall be for not less than the following limits, or greater if required by law:

Workers Compensation: (State and/or Federal) Statutory

Employers Liability: (State and/or Federal) \$1,000,000 per Occurrence,
including Disease

The Contractor and any Sub-contractor shall furnish to Owner evidence of the above coverages of insurance, including, but not limited to copies of insurance policies, certificates of insurance or self-insurance, declaration pages of every

applicable workers' compensation or employer's liability insurance from an insurance carrier, or certificates of compliance issued by any state (or federal agency) administering the worker's compensation laws of a state (or jurisdiction/occupation under federal control) in which the work under this Contract is being performed, prior to commencement of the work.

- b. Commercial/Comprehensive General Liability insurance with a limit of no less than \$2,000,000 combined single limit to include, but not limited to Bodily Injury, Property Damage and Personal Injury, including:
 - 1. Premises & Operations (including X, C and U)
 - 2. Independent Contractor's Protective, Products and Completed Operations
 - 3. Personal Injury with Employment Exclusion deleted
 - 4. Contractual Liability which specifically applies to the obligations within this Contract
 - 5. Broad Form Property Damage, including Completed Operations
 - 6. Non-Owned and Hired Automobile Liability Coverage unless provided under C-29-1-c, below
 - 7. Employers Stop-Gap if any work is to be performed in the States of Washington; Nevada; Ohio; North Dakota; West Virginia or Wyoming
 - 8. Additional Insured - Owner's, Leesees, or Contractor's (Form A) endorsement, ISO Form no.CG2009093 (1992)

If the form of coverage so certified is written on a Commercial General Liability Form, the General Policy Aggregate must be for limits of no less than \$2,000,000 Combined Bodily Injury/Property Damage, including Products & Completed Operations.

If the General Liability coverages are provided on a Claims-made basis, the Retroactive Date shall predate this Contract; the termination date of the policy or applicable Extended Reporting Period shall be no earlier than the termination date of coverages required elsewhere under this Contract.

- c. Business Auto Insurance for not less than \$2,000,000 Combined Single Limits of Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Car Liability applicable to any licensed vehicle to be used in the work.
- 2. Prior to commencement of work hereunder, all insurance policies required by this Agreement shall:
 - a. Be placed with such insurers and under such forms of Certificates of Insurance as may be acceptable to the Owner, who shall have the right to inspect a copy of the original or a certified copy of the policies.

- b. With the exception of Workers' Compensation and Employer's Liability or Stop-Gap, be endorsed to name the Owner, its directors, officers and employees as additional insureds on forms or policies as may be acceptable to the Owner, insofar as work performed by the Contractor and/or Sub-contractor for the Owner is concerned.
 - c. Be primary insurance with respect to the interests of the Owner, whose own insurance shall be excess to the insurance required pursuant to paragraph C-29 of this Contract. Contractor shall declare any Deductible(s) and/or Self-Insured Retention(s) applicable to any of these policies and shall bear sole responsibility for claims/losses (including costs of defense) applicable to this work, including any such Deductible(s) and/or Self-Insured Retention applicable to the policies of any of his Sub-contractors.
 - d. Be subject to, and incorporate therein, the parties' Agreement that the Contractor or a Sub-contractor hereunder agree to waive all rights for subrogation against the Owner for damages caused by fire, theft, injury, including death, or damages to person or property to the extent covered by insurance obtained by a Contractor or Sub-contractor pursuant to paragraph C-29 of this Contract, or other insurance applicable to any losses, liabilities, claims, or actions insured against herein.
 - e. Apply severally and not collectively to each insured.
 - f. Provide that the policies will not be canceled or their limits or coverage reduced or restricted without giving 30 days prior written notice to the Owner.
- 3. Certificates of Insurance and an associated copy of the Endorsement adding Avista as additional insured, all acceptable to the Owner, evidencing the above insurance and endorsements shall be furnished to the Owner prior to commencing performance of the work.
 - 4. If the Owner is not satisfied with the insurance secured, the Owner may require the Contractor to furnish additional insurances as will in the judgment of the Owner give adequate protection. If Contractor fails or refuses to obtain insurance satisfactory to Owner, Owner has the right, but not the obligation, to obtain adequate insurance coverage and deduct the cost of same from the proceeds due Contractor.

C-30 LANDS FOR CONSTRUCTION PURPOSES

- 1. Contractor may have the use of easements and other permission for use of land acquired by or dedicated for use by Owner for purposes of this Contract subject to conditions of use imposed by Owner.
- 2. All other lands or the use of lands necessary for the Contractor's operations or deemed desirable by the Contractor shall be obtained by the Contractor at the Contractor's cost.

C-31 WORKERS TO BE USED

1. Attention is called to the fact that certain portions of the installation call for workers skilled not only in their trade, but specialized in the particular work to be performed. The Contractor shall provide that such work shall be done by workers who are skilled and specialized in the work to which they are assigned.
2. Contractor agrees that in connection with work under this Agreement, Contractor shall comply with all provisions of Executive Order 11246, relating to Equal Employment Opportunity and Affirmative Action.
3. Owner reserves the right to request removal of any persons from any work function on the job when in the Owner's judgment such persons are incompetent or display a disorderly behavior to the public, Owner, coworkers, or any government officials. Any such person requested by Owner to be removed shall not again be employed on the work without consent of the Owner. Upon request by Contractor following removal of such person, Owner shall furnish the reason for Owner's request for removal; however, Contractor shall indemnify and save harmless the Owner from any and all claims, demands, or suits arising from or incidental to the removal of any such person from the work.

C-32 NIGHT WORK

1. No work shall progress after dark unless required in emergencies or to complete work on which night work is feasible. No night work of any kind shall be done without the consent of the Engineer.
2. Where night work is in progress, sufficient light shall be provided to safeguard the workers and the public, and to make possible the proper execution and inspection of the work.

C-33 PROTECTION OF HIGHWAYS AND RAILROADS

1. The Contractor shall protect public roads and bridges which may be damaged by, interfered with, or given undue wear by reason of the work done under this Contract, and shall repair or replace them if damaged, at the Contractor's own expense, to the satisfaction of the governmental authorities or the Owners thereof.

2. The Contractor shall make suitable arrangements with municipal, county, or other governmental authorities and railroads for the construction of all structures underneath roads and railroads or on railroad or highway rights of way to the end that the public using the highways and the movements of trains shall be safeguarded from accident and/or delay.

C-34 USE OF EXPLOSIVES

The use of explosives in a manner which might endanger persons or property or might disturb or endanger the stability, safety or quality of the work will not be allowed. Explosives shall be stored, handled and used as prescribed by the laws and regulations of the United States, the State in which the work is performed, and the subdivision thereof. Special attention must be given to the immediate legal disposal of paper wrappings from explosives. Said wrappings can be poisonous to livestock.

C-35 CLEANING UP

1. As a part of the work included in this Contract, the Contractor shall diligently do the following:
 - a. maintain good housekeeping on the Work site on a day to day basis, including clean-up of all refuse, waste and debris produced by its operation.
 - b. not permit its materials or refuse to interfere with free access or egress to the Work site(s) by itself or authorized others.
 - c. completely remove and satisfactorily dispose of all work related temporary works and/or temporary buildings from the Work site(s) to the extent directed by Avista.
 - d. remove all Contractor's plant and equipment from Work site(s).
 - e. satisfactorily dispose at the Contractor's expense of all refuse, excess materials, debris, spoils, etc., resulting from the operations under this Contract.
 - f. do all work necessary to restore the territory within the site of the Contractor's operations to a condition as good as or better than as found at the beginning of the work under this Contract.
2. In the event the Contractor fails to remedy these clean-up obligations after notification of violation by Avista of these requirements, said clean-up may be done by Avista and all associated costs charged to the Contractor.

C-36 INDEPENDENT CONTRACTOR

The Contractor is and shall be an independent contractor in the performance of the work herein specified and any extra work in connection therewith, and agrees to perform this Contract as an independent contractor and not as a sub-contractor, agent or employee of the Owner.

C-37 VENUE - CHOICE OF LAW

The Contract shall be construed and interpreted in accordance with the laws of the State of Washington, excluding any choice of law rules which direct the application of laws of another jurisdiction. Any litigation that may occur relating to this Contract shall be brought in the Superior Court of Spokane County, Washington.

C-38 REQUEST FOR RECORDS

The Contractor shall promptly provide the Owner access to (and the Owner shall have the right to examine, audit, and copy) such information relating to work performed under the Contract as may be requested by the Owner. Such information may include, but is not limited to, invoices, USDOT Records, equipment records, and payroll records and will be maintained by the Contractor for not less than three (3) years after final payment of the compensation payable under this Agreement, unless longer retentions are specifically required by government agencies (i.e. USDOT). Following such request, the Contractor will promptly provide the Owner sufficient, safe, and proper facilities for the review of such information.

C-39 U.S. DOT - ANTI-DRUG PROGRAM AND ALCOHOL MISUSE PROGRAM

1. The Contractor shall comply with all applicable United States Department of Transportation (USDOT) regulations including, but not limited to, USDOT Federal Motor Carrier Safety Regulations Part 391, Subpart H – Controlled Substance Testing and/or USDOT Research and Special Projects Administration (RSPA), Code of Federal Regulations CFR Title 49, part 199 – Anti-Drug and Alcohol Misuse. Avista may, at any time, request documented verification showing the Contractor's compliance with this requirement.
2. The indemnification provisions of General Conditions Section C-21 shall apply to any loss, liability, claim, fine, or penalty arising out of the Contractor's non-compliance with the DOT's rules and regulations concerning the Anti-Drug or Alcohol Misuse Programs.

C-40 NO OTHER UNDERSTANDINGS

There are no other understandings between the parties other than as set forth in the Contract, including all addenda, as of the date of the Agreement. All other communications, either verbal or written, made prior to the date of the Contract are hereby abrogated and withdrawn. The Contractor shall make no claims for payment as compensation for any reason whatsoever predicated upon such understandings or alleged understanding.